

NEWS RELEASE



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Consumer Price Index, San Diego - First Half 2014 Area prices up 1.4 percent over the past six months, up 2.4 percent from a year ago

Prices in the greater San Diego area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), advanced 1.4 percent in the first half of 2014, the U.S. Bureau of Labor Statistics reported today. (See <u>table A</u>.) Regional Commissioner Richard J. Holden noted that this latest six-month increase was influenced by higher prices for shelter, gasoline, and food. (Data in this report are not seasonally adjusted. Accordingly, six-month-to-six-month changes may reflect seasonal influences.)

Over the past 12 months, the CPI-U rose 2.4 percent. (See <u>chart 1</u>.) Energy prices advanced 4.3 percent, largely the result of a price increase in electricity and natural gas service. The index for all items less food and energy increased 2.3 percent over the year.

4.0
3.5
3.0
2.5
2.0
1.5
0.0
Second First half Se

Chart 1. Over-the-year percent change in CPI-U, San Diego, Second half 2010 - First half 2014

Source: U.S. Bureau of Labor Statistics.

Food

Food prices advanced 1.5 percent in the first half of 2014. (See table 1.) Prices for food at home rose 1.5 percent for the past six months. Prices for food away from home increased 1.4 percent for the same period.

For the year ending in the first half of 2014, food prices increased 1.7 percent. Prices for food away from home advanced 2.6 percent, and prices for food at home increased 0.8 percent during the past 12 months.

Energy

Energy prices increased 4.4 percent since the second half of 2013. The increase was strongly influenced by the price of gasoline, which increased 4.3 percent. Natural gas service prices gained 11.1 percent and electricity prices gained 3.2 percent for the same period.

Energy prices moved up 4.3 percent over the year, strongly influenced by a 17.6 percent increase in electricity prices. Natural gas service prices rose 20.4 percent, but gasoline prices decreased 0.8 percent.

All items less food and energy

The index for all items less food and energy increased 1.0 percent from the second half of 2013 to the first half of 2014. Among the index components, increases were recorded for apparel (3.7 percent), medical care (1.7 percent), and shelter (1.2 percent). Recreation was the only major expenditure category to post a semi-annual decline (-0.7 percent).

Over the year, the index for all items less food and energy advanced 2.3 percent. Prices increased for recreation (3.8 percent), medical care (2.6 percent), other goods and services (2.2 percent), and shelter (2.1 percent).

Table A. San Diego CPI-U monthly and annual percent changes (not seasonally adjusted)

	2009		2010		2011		2012		2013		2014	
	Semi-		Semi-		Semi-		Semi-		Semi-		Semi-	
Month	annual											
First Half	-0.5	-0.6	0.2	1.4	2.3	3.4	1.3	1.7	0.6	0.9	1.4	2.4
Second Half	1.1	0.6	1.0	1.2	0.4	2.7	0.3	1.5	1.1	1.7		

CPI-WIn the first half of 2014, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 250.188, up 1.2 percent. The CPI-W increased 2.1 percent over the year.

The second half of 2014 Consumer Price Index for San Diego is scheduled to be released mid-February 2015.

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 88 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 29 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/homch17_a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national

index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.

The San Diego, CA metropolitan area covered in this release is comprised of San Diego County in the State of California.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periodsSan Diego, CA (1982-84=100 unless otherwise noted)

	Semia	nnual average ir	Percent change to 1st half 2014 from-			
Item and Group	1st half 2013	2nd half 2013	1st half 2014	1st half 2013	2nd half 2013	
Expenditure category						
All items	258.955	261.679	265.251	2.4	1.4	
All items (1967=100)	875.607	884.815	896.895	-	-	
Food and beverages	237.491	238.000	241.797	1.8	1.6	
Food	234.941	235.254	238.846	1.7	1.5	
Food at home	220.761	219.128	222.500	0.8	1.5	
Food away from home	251.613	254.719	258.279	2.6	1.4	
Alcoholic beverages	255.685	258.299	264.228	3.3	2.3	
Housing	283.539	287.897	291.893	2.9	1.4	
Shelter	319.827	322.665	326.544	2.1	1.2	
Rent of primary residence	313.186	316.492	319.094	1.9	0.8	
Owners' equiv. rent of residences (1)	341.180	344.154	348.321	2.1	1.2	
Owners' equiv. rent of primary residence (1)	341.180	344.154	348.321	2.1	1.2	
Fuels and utilities	238.479	258.323	271.941	14.0	5.3	
Household energy	194.879	218.131	227.904	16.9	4.5	
Energy services	190.465	213.319	222.429	16.8	4.3	
Electricity	177.621	202.287	208.845	17.6	3.2	
Utility (piped) gas service	162.237	175.884	195.329	20.4	11.1	
Household furnishings and operations	178.894	180.765	181.269	1.3	0.3	
Apparel	133.357	136.305	141.401	6.0	3.7	
Transportation	227.028	224.112	228.254	0.5	1.8	
Private transportation	218.790	215.470	218.584	-0.1	1.4	
Motor fuel	321.556	306.037	319.319	-0.7	4.3	
Gasoline (all types)	321.957	306.179	319.363	-0.8	4.3	
Gasoline, unleaded regular (2)		319.042	332.863	-0.8	4.3	
Gasoline, unleaded midgrade (2) (3)	274.587	261.421	272.546	-0.7	4.3	
Gasoline, unleaded premium (2)	323.015	307.398	320.364	-0.8	4.2	
Medical care	409.595	413.157	420.045	2.6	1.7	
Recreation (4)	142.940	149.511	148.429	3.8	-0.7	
Education and communication (4)	144.452	145.910	146.082	1.1	0.1	
Other goods and services	364.797	369.027	372.694	2.2	1.0	
Commodity and service group						
All Items	258.955	261.679	265.251	2.4	1.4	
Commodities	199.539	199.269	201.906	1.2	1.3	
Commodities less food & beverages	178.887	178.250	180.354	0.8	1.2	
Nondurables less food & beverages	203.307	202.309	206.847	1.7	2.2	

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periodsSan Diego, CA (1982-84=100 unless otherwise noted) - Continued

	Semia	nnual average ir	Percent change to 1st half 2014 from-		
Item and Group	1st half 2013	2nd half 2013	1st half 2014	1st half 2013	2nd half 2013
Durables	151.814	151.744	150.520	-0.9	-0.8
Services	311.708	317.006	321.399	3.1	1.4
Special aggregate indexes					
All items less medical care	251.797	254.465	257.887	2.4	1.3
All items less shelter	236.036	238.706	242.288	2.6	1.5
Commodities less food	182.433	181.919	184.177	1.0	1.2
Nondurables	222.425	222.081	226.220	1.7	1.9
Nondurables less food	208.689	207.905	212.555	1.9	2.2
Services less rent of shelter (1)	318.268	327.316	333.407	4.8	1.9
Services less medical care services	301.840	307.078	311.069	3.1	1.3
Energy	267.660	267.374	279.152	4.3	4.4
All items less energy	260.066	262.874	265.795	2.2	1.1
All items less food and energy	265.910	269.167	271.964	2.3	1.0

⁽¹⁾ Index is on a December 1982=100 base. (2) Special index based on a substantially smaller sample. (3) Indexes on a December 1993=100 base.

⁽⁴⁾ Indexes on a December 1997=100 base.

⁻ Data not available.